

# What Do We Know about Competition Agencies in Emerging and Transition Countries?

**Evidence on Workload, Personnel, Priority Sectors, and Training Needs**

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## **I. Introduction**

In the last decade many emerging and transition countries passed competition laws and created competition agencies to enforce them. The importance given by these countries to competition policy is growing and parallels, sometimes with a lag, a process of liberalization and increasing private sector participation in the economy. Many recent international initiatives<sup>2</sup> in the area of competition policy, the collaboration of the European Commission with Accession countries, the multilateral programs by UNCTAD and OECD and the bilateral agreements signed by the United States show the growing interest in fostering the role of competition agencies and enhancing their capacity.

During 2003, the World Bank Institute sent a needs assessment questionnaire to 48 competition agencies in transition and emerging countries in Africa, Asia, Europe and Latin America. This questionnaire has many objectives, the most important being the identification of areas where competition agencies in emerging and transition countries need to invest in human capital. The performance of a competition agency depends on many variables, such as financial resources, independence and the legal and political environments. Although the combination of these variables and many others influences the outcomes of a competition agency, human capital endowment stands out as a key explanatory factor of performance. Despite the emphasis on training areas, the needs assessment questionnaire also provides valuable data about competition agencies' workload (mergers and anticompetitive conduct cases), personnel endowment and priority infrastructure sectors.

The World Bank Institute's needs assessment questionnaire complements other initiatives in the area of competition policy. For instance, in the in the last two years, the International Competition Network<sup>3</sup> conducted detailed questionnaires among its members to address specific competition policy areas (advocacy, merger procedures and competition policy implementation). The OECD has also been involved in a series of capacity building initiatives and reviews of competition laws and policies.

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<sup>2</sup> The International Competition Network, the Latin American Competition Forum in the internet and the courses organized by the Spanish Competition Tribunal for Latin American competition agencies are examples of international initiatives recently created.

<sup>3</sup> An international body created in October 2001 that seeks to provide competition authorities with a specialized venue for maintaining regular contacts and addressing practical competition concerns

The results of the needs assessment questionnaire are classified according to the World Bank's analytical regional grouping. We received 35 survey responses. Due to the number of responses received from each region, we opted to present the results only for three regions: East Asia and Pacific (EAP), Latin America and the Caribbean (LAC) and Europe and Central Asia (ECA). We believe that the survey responses are a representative sample and the substantive results presented in this analysis are meaningful in identifying needs and determining priorities. The results are organized in figures and tables that compare the three regions selected - East Asia and Pacific, Latin America and the Caribbean (LAC) and Europe and Central Asia. We analyze the main results and describe the problems in the design and interpretation of the questionnaire.

Important evidence and lessons can be drawn from this needs assessment questionnaire. Responses clearly indicate that competition agencies consider the institutional set up phase to be accomplished and they currently need to improve their capacity to solve technically complex mergers and anticompetitive conduct cases. Usually, the most challenging cases are those that involve regulated infrastructure sectors that are operated by the private sector. Competition agencies consider that regulatory agencies as well as members of the judicial branch of government need to participate in competition policy courses to achieve an effective implementation of competition laws. As important as the lessons for the design of competition courses, the questionnaire provides a detailed picture of competition agencies' workload, personnel endowment and priority sectors. The view of competition authorities as a homogenous group across countries and regions can be strongly discarded. The analysis of the needs assessment questionnaire shows there are significant heterogeneities among competition agencies' mandates, exempted sectors, professional personnel endowment and capacity needs.

The paper is organized as follows. Section II describes the sample and responses received. Section III presents the results on the scope of competition laws, level of activity of competition agencies, personnel endowment and relevance of selected infrastructure sectors. Some lessons for the design of training courses are introduced in section IV. Section V provides some policy implications and section 6 concludes.

## **II. Sample and responses received**

The questionnaire was sent to 48 emerging and transition countries in Africa, Asia, Europe and South and Central America between February and July of 2003. A total of 35

answers were received, the last one in September 2003. A copy of the questionnaire is attached at the end of the paper.

Table 1 classifies the responses according to the World Bank's analytical regional grouping.

**Table 1: Responses by region**

<b>Regions</b>	<b>Responses</b>	<b>Countries</b>
<b>Africa</b>	2	Zambia, Burkina Faso
<b>East Asia and Pacific</b>	5	Korea, Philippines, Thailand, Taiwan, Indonesia
<b>East Europe and Central Asia</b>	14	Croatia, Czech Republic, Estonia, Latvia, Lithuania, Macedonia, Poland, Russian Federation, Slovak Republic, Slovenia, Serbia Montenegro, Ukraine, Armenia, Azerbaijan
<b>Latin America and Caribbean</b>	9	Brazil, Chile, Colombia, Perú, Venezuela, Costa Rica, México, Panamá, Jamaica
<b>Middle East and North Africa</b>	3	Tunisia, Cyprus, Malta
<b>South Asia</b>	2	Sri Lanka, Pakistan

For the quantitative analysis, we consider only three regions (East Asia and the Pacific, East Europe and Central Asia and Latin America and Caribbean) because the number of responses received from countries in the other three regions (Africa, South Asia and Middle East and North Africa) does not provide a minimum degree of confidence to draw conclusions and compare with other regions.

Considering the sample as a whole, the number of responses is adequate and representative for the three regions selected. In relative terms, the International Competition Network, being the most active network of competition agencies, has –as of November 2003- forty three members<sup>4</sup> that can be categorized as transition or emerging economies. Thus, having thirty five responses provides a high degree of confidence on the results obtained by this needs assessment questionnaire<sup>5</sup>.

### **III. Results: general questions**

<sup>4</sup> [http://www.internationalcompetitionnetwork.org/icn\\_membership\\_list30.pdf](http://www.internationalcompetitionnetwork.org/icn_membership_list30.pdf)

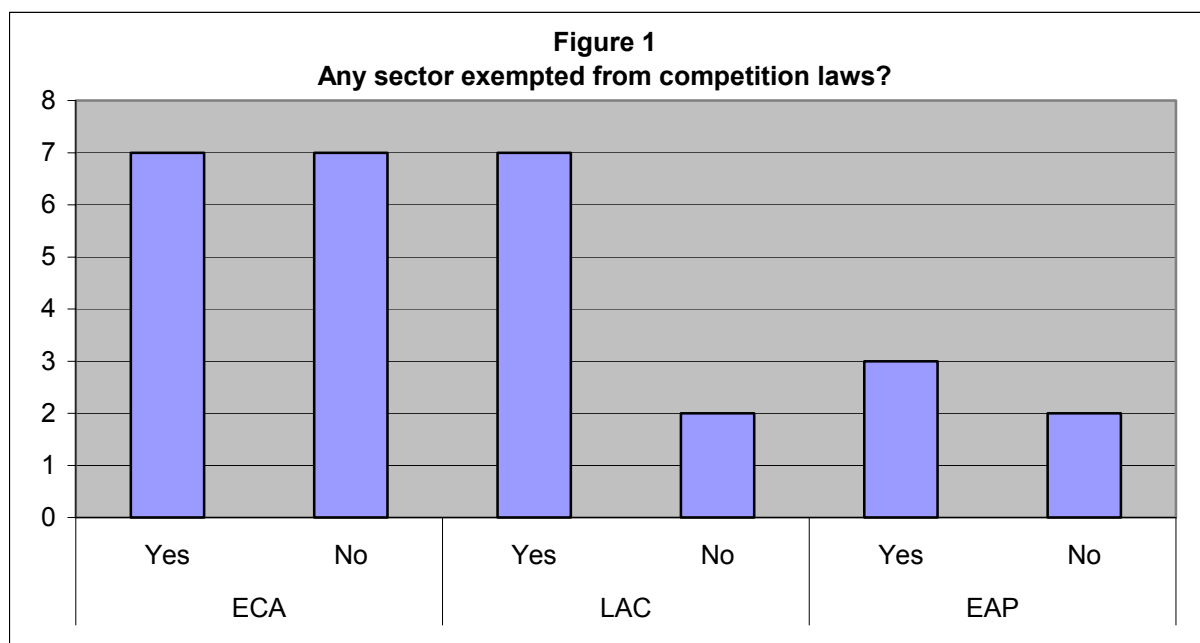
<sup>5</sup> If they are not representative, they are indicative of the kind of information that needs a deeper analysis in a future needs assessment.

### *a. Scope of competition laws*

The responses show that in the majority of countries lawmakers granted exemptions to certain economic sectors. Some exemptions are permanent while others are temporary. According to the responses, the latter are justified as being a concession granted to industries that need to adjust to a liberalization process. Unfortunately, no information was provided on the length of temporary exemptions. Competition laws include temporary and permanent exemptions in the three regions. Some of the exempted sectors are:

Permanent: agriculture, labor market, financial markets, state-owned monopolies, water and sanitation, land passenger transport, electricity.

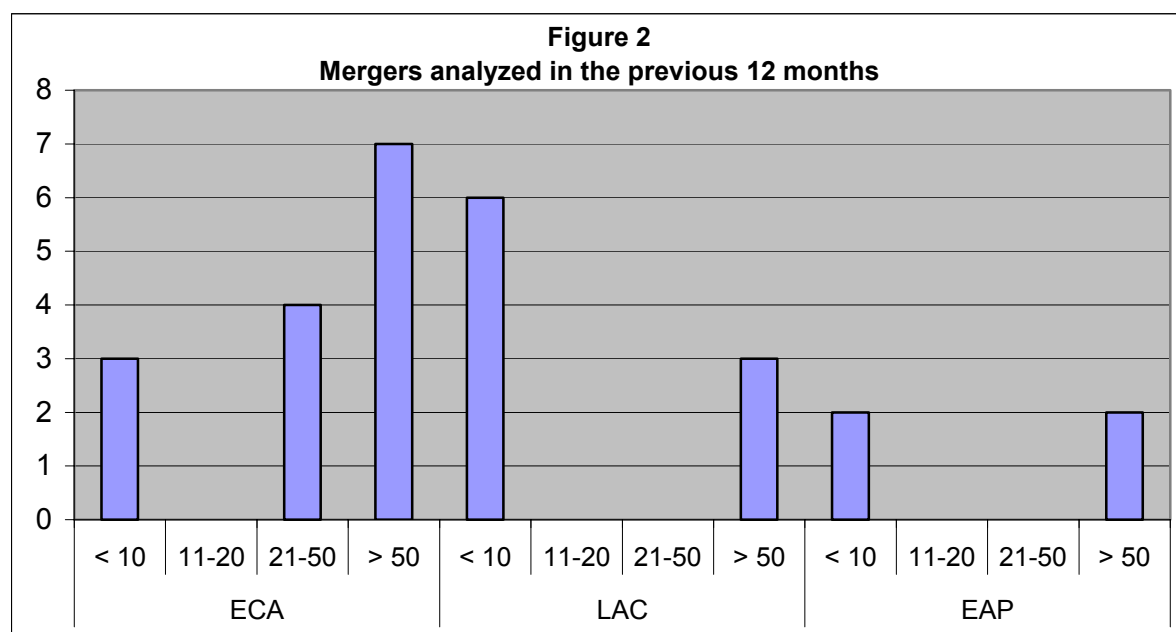
Temporary: telecommunications, postal sector, railways, air transport.



Countries in LAC tend to have competition laws that apply to all sectors. This result differs from ECA and EAP where half of the countries that responded the questionnaire have some sectors excluded from the application of competition laws.

*b. Level of activity: mergers and acquisitions analyzed in the previous 12 months*

This question gives an idea of the workload a competition agency has in the area of mergers. Figure 2 shows that competition agencies can be divided in two groups, one that had to analyze more than 50 mergers last year and the other that dealt with less than ten. In ECA, the majority of agencies had to consider more than 50 mergers while in LAC most of the competition agencies analyzed less than 10 mergers. In EAP, half of the responses indicated a workload of more than 50 mergers and half less than 10.



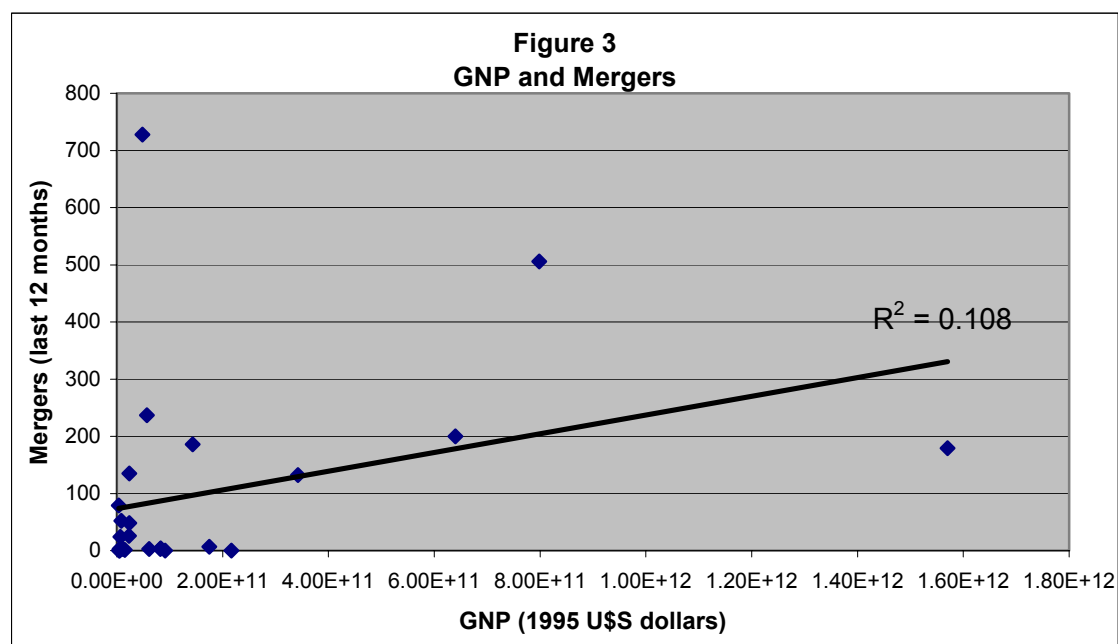
In the three regions there seems to be a clear dichotomy between agencies that analyze few cases and those that have to analyze a large (more than 50) quantity of mergers per year<sup>6</sup>. Can this result be driven by the varying size of the economies?. To answer this question, we plot the size of the economy (measured by the gross national product<sup>7</sup>) against the quantity of mergers. The trend shows a very weak relation between these two variables, implying that the

<sup>6</sup> This argument assumes that last year was an “average year” and so gives an indication of the approximate number of mergers a competition agency analyzes every year.

<sup>7</sup> Source: World Bank database.

size of the economy can not explain the quantity of merger cases handled by a competition agency<sup>8</sup>.

Some competition laws set minimum annual revenue requirements of the merging parties for the competition agency to consider a merger, while others set requirements that mandate competition agencies to analyze almost all mergers in the economy, independently of their size. Given the lack of correlation between the level of economic activity and the number of mergers analyzed by competition agencies, we can safely argue that the workload of a competition agency is more influenced by the legal requirements embedded in competition laws than by the size of the economy<sup>9</sup>.



*c. Anticompetitive conduct cases filed in the previous 12 months*

<sup>8</sup> The  $R^2$  in the graph is 0,10. This value is upward biased because we excluded an average sized country that handled more than 1,700 mergers. Including this country the  $R^2$  would be 0,06.

<sup>9</sup> A reinforcing factor of this result is the fact that no response is in the range “11-20 mergers” which would be the case if the size of the economy had a high explanatory power in the quantity of cases handled by a competition agency.

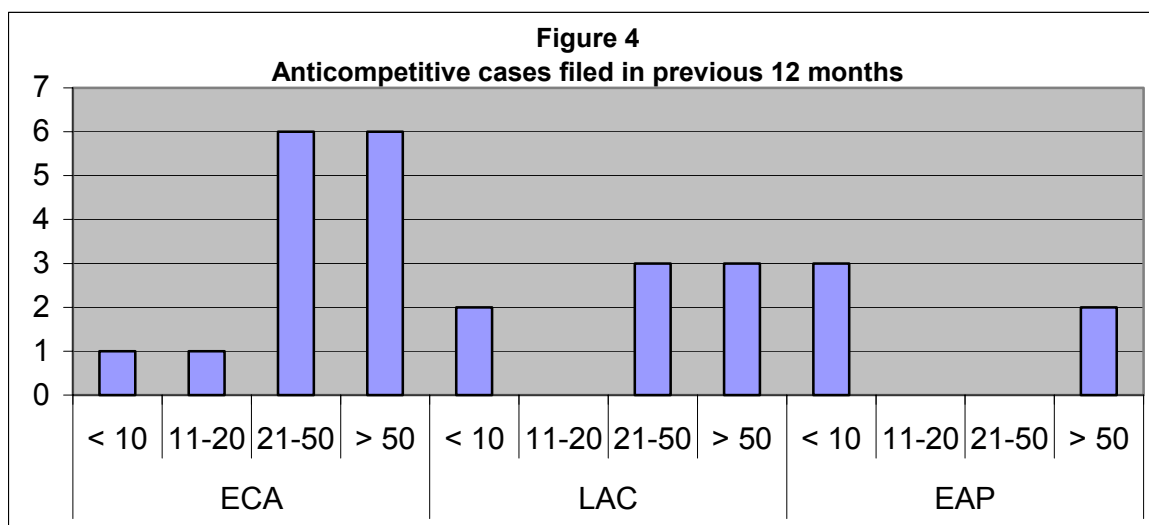
In general, competition agencies have deadlines to approve/disapprove or condition mergers and acquisitions. That is not the case when dealing with anticompetitive conduct cases, which usually take more time to solve. This question refers to how many new anticompetitive conduct cases entered, during the previous 12 months, the pool of cases to be solved by the competition agency.

A companion question asked how many of the new anticompetitive conducts cases fell in the category “excessive prices”. Some competition agencies consider cases of exploitative abuse of dominant position (prices considered “too high”) while others only admit cases of exclusionary abuse of dominant position<sup>10</sup> (conducts aimed at excluding from the market existing or potential competitors). It seems this question was not well understood and was ignored in most of the responses. The distinction of these two conducts has important implications for the role of a competition agency as a market regulator. If competition laws consider excessive prices as an abuse of dominant position, competition agencies have to invest in determining what prices are “fair” or what prices are “too high”. Implicitly, the task of a competition agency gets much closer to a typical regulator, whose job is to set prices in the market. In the United States and the European Commission, cases of excessive prices are considered only if these prices are the consequence of exclusionary conducts. It is important to note that those countries that reported the highest numbers of anticompetitive conduct cases mentioned that most of them were cases of excessive prices. Thus, competition laws that adopt the legal figure of excessive prices impose a significant burden -in terms of number of cases and need of human and financial resources- to competition agencies.

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<sup>10</sup> For a detailed discussion of the definition of exploitative and exclusionary abuse of dominant position see “A Framework for the Design and Implementation of Competition Law and Policy”, The World Bank and OECD, 1998.

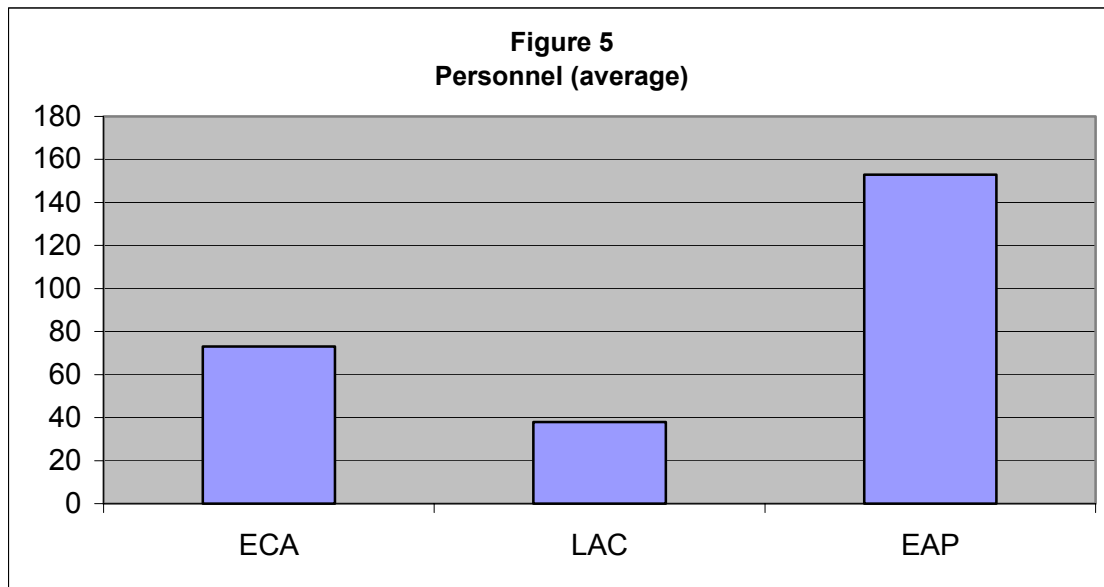




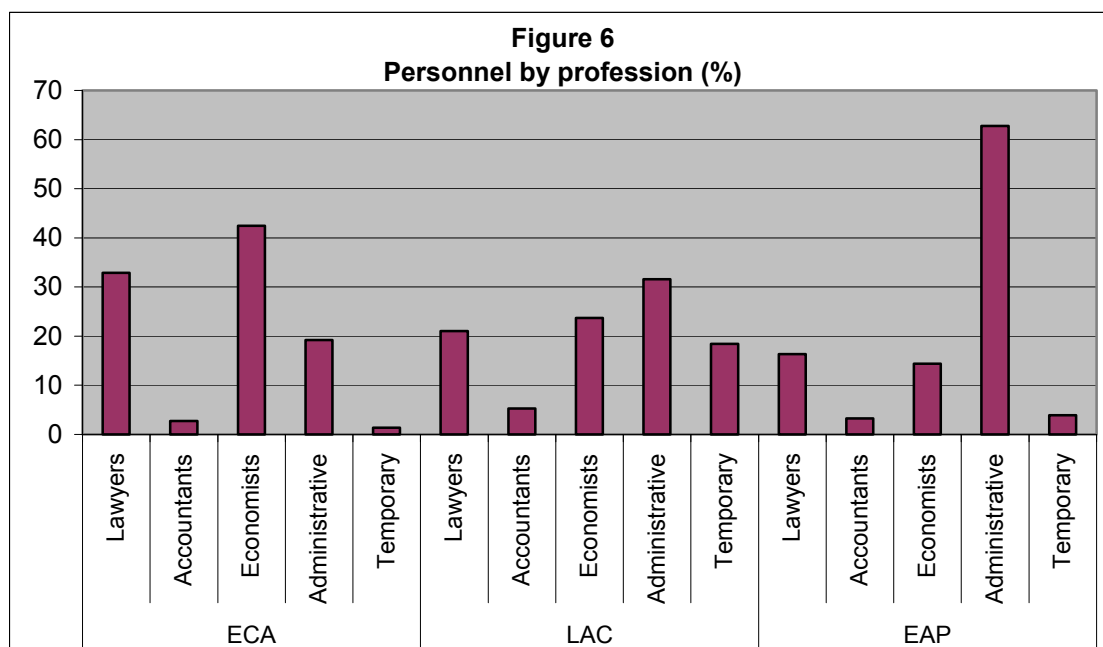
In ECA and LAC, most competition agencies received more than 20 new cases in the previous 12 months. In EAP competition agencies have to pass judgment for either too many or too few cases. The questionnaire does not provide the opportunity to disaggregate the responses by type of conduct (for instance bid-rigging, price fixing, market allocation, refusal to deal, predatory pricing, etc).

*d. Personnel in competition agencies and productivity indicators*

Do competition agencies have enough human resources? Are they over or under staffed? The average of responses for each region illustrate significant differences in total personnel employed in competition agencies. Agencies in the East Asia and Pacific region have four times more personnel than competition agencies in Latin America. It is clear from the information about number of mergers and anticompetitive cases previously reported that the observed difference in personnel across regions can not be explained by the level of activity competition agencies have in each regions. That is, competition agencies in EAP do not handle four times more cases than agencies in LAC or two times more cases than agencies in ECA. Part of the difference in total average personnel between EAP and the other regions is caused by the fact that some competition agencies in EAP have broader mandates that include “unfair business practices”, an area that requires significant personnel endowment.



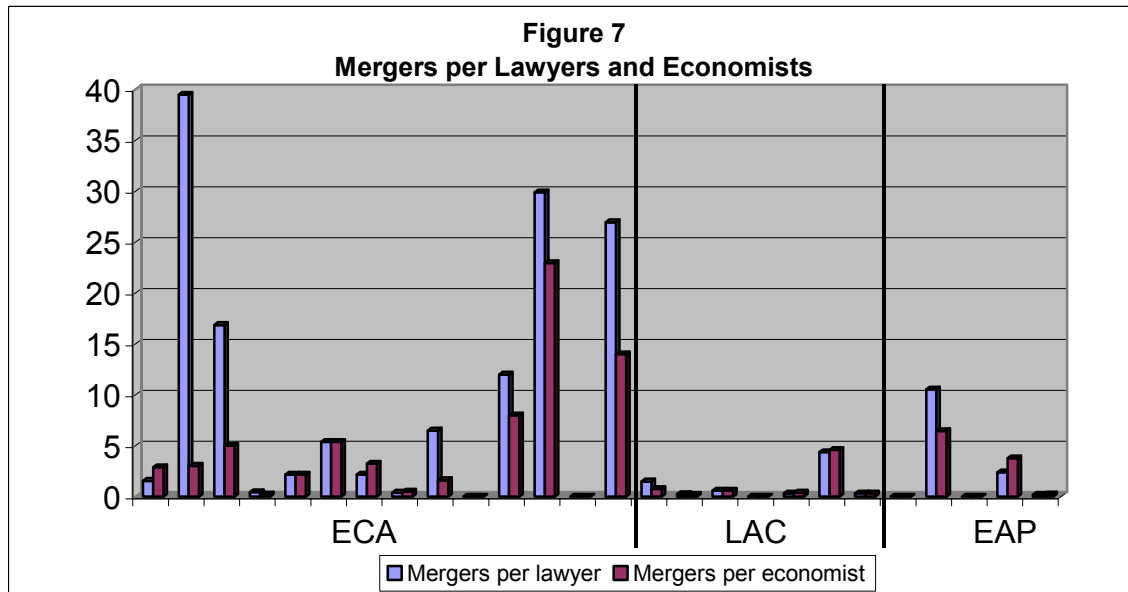
Anticipating important differences in personnel, the questionnaire disaggregated total personnel in three categories: professionals, administrative and temporary staff. Professionals were subdivided in lawyers, accountants and economists. As shown in figure 6, administrative personnel weights heavily in EAP competition agencies, accounting for almost 65 percent of total personnel. Administrative personnel is also the most important category in the LAC region. Only in ECA there is more professional than administrative personnel. Lawyers and economists jointly account for 75, 45 and 30 percent of total personnel in ECA, LAC and EAP respectively.

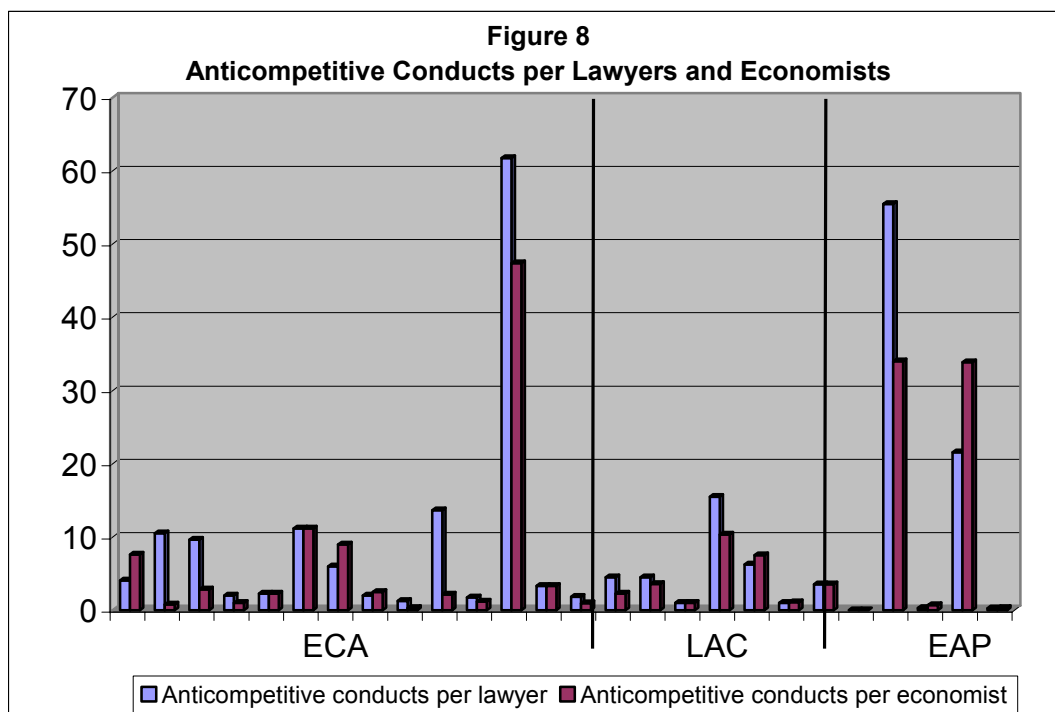


Ideally, we should be able to measure the productivity per analyst working in mergers and anticompetitive conduct cases. With the available data obtained from the responses, we can proxy productivity by the ratio of mergers and anticompetitive cases per lawyer and economist. Figures 7 and 8 show this ratio for all countries<sup>11</sup> that responded the questionnaire in the ECA, EAP and LAC regions. The main characteristic of this productivity variable is its significant variance in ECA and EAP. This variance is difficult to justify and leads to discard the variable “cases per lawyer (or economist)” as a valid indicator of productivity. The main drawback of this variable lies in the huge heterogeneity of mergers and anticompetitive conduct cases. If we consider merger cases, given that their nature and complexity vary significantly, competition agencies that have to deal with many “small” mergers need to have many employees, each in charge of many, but easy-to-handle mergers. Other agencies, that need to handle only a few mergers a year may have less employees but each of which may be assigned only one or two cases per year. Thus, a comparison of a productivity indicator measured by cases per employee could be seriously mislead. In other words, when analyzing the level of activity and productivity of personnel in competition agencies, we should account for the quality dimension as mergers

<sup>11</sup> Country names can not be displayed for confidentiality reasons.

and anticompetitive conduct cases vary according to their complexity and the need to allocate different categories of specific human capital skills and financial resources.





*e. Relevance of selected infrastructure services for competition agencies*

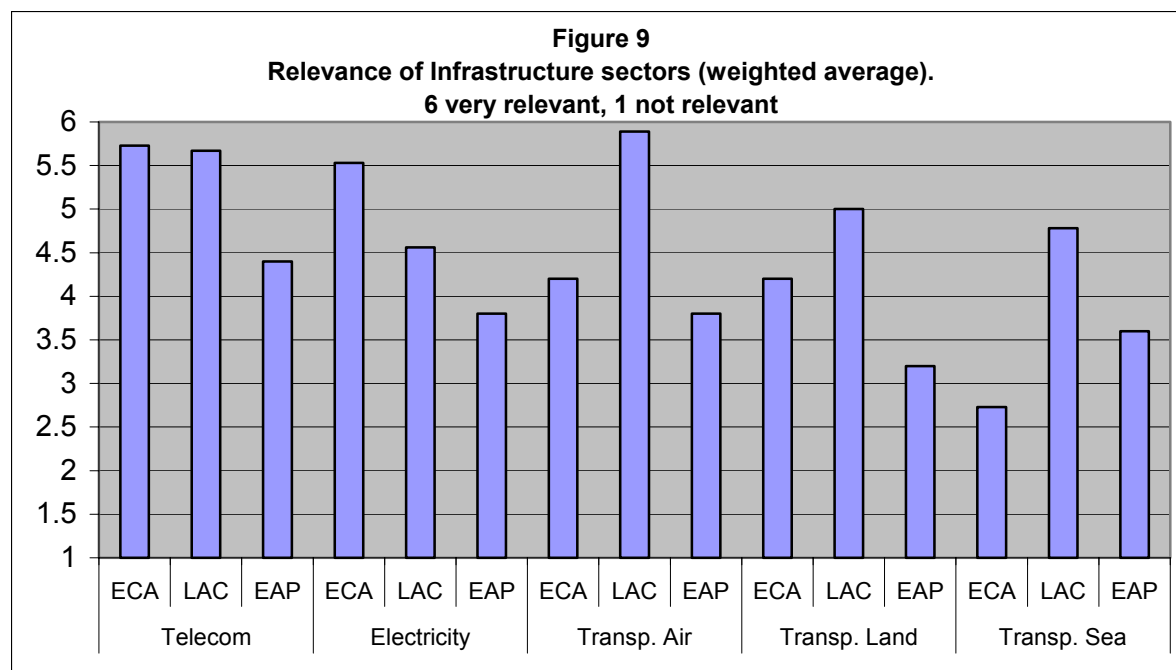
Competition agencies had to assign a degree of relevance (6 most relevant, 1 not relevant) to a set of industries, including infrastructure services and other sectors where competition agencies have had to intervene frequently (supermarkets, health –pharmaceuticals-, banking and agricultural products.). In emerging and transition countries, the division of labor between regulatory and competition agencies is a matter of continuous conflicts<sup>12</sup>. Provided the most common areas of conflict are telecommunications, electricity and air, land and sea transport we only present the responses by region for these infrastructure sectors.

As a general comment, the responses provided by countries in the EAP region are the lowest for all infrastructure sectors<sup>13</sup>. A likely explanation for this result is the relatively lower

<sup>12</sup> See Owen, Bruce M., "Competition Policy in Latin America" (October 2003). Stanford Law and Economics Olin Working Paper No. 268.

<sup>13</sup> The only exception is sea transport. The ECA responses are downward biased because many of the respondents are landlocked countries and gave a value of 1 (not relevant) to this sector.

degree of private sector participation in the provision of infrastructure services combined with the fact that state-owned firms are usually exempted from competition laws.



On average, the telecommunications sector got the highest degree of relevance. The fast technological changes and the liberalization of this sector are bringing out new competition problems, most of them related to network access, pricing and market foreclosure. Electricity is a relevant area of work for competition agencies in the three regions, and face the same competition policy problems as the telecom sector; the unbundling between generation, transport and distribution of electricity services has created access problems in the market most prone to natural monopoly (transport) and concentration problems derived from mergers in the generation market. For competition agencies in LAC, the priority seems to be all transport modes with special emphasis on domestic air transport, which was liberalized in most Latin American countries during the 1990s.

#### **IV. Results: lessons for the design of training courses**

##### *a. Priorities for training content and training methods*

The questionnaire had a long list of topics related to the most important areas of competition policy and respondents had to assign a value from six (very relevant) to one (not relevant) to each topic. In aggregate, responses convey a very clear message: competition agencies need to acquire technical knowledge in most of the areas strictly related to competition policy. When analyzing priorities, responses did not provide clear messages because most of the answers, in all regions, were rated 5 or 6. Even though the high ratings indicate that competition agencies recognize they need to improve their knowledge in many areas, they pose a problem because it is difficult to prioritize and determine focus areas. To address this problem, one question asked to rank the five most relevant topics, allowing the identification of priority areas.

**Table 2: Priorities by region (by order of importance)**

	<b>ECA</b>	<b>LAC</b>	<b>EAP</b>
<b>First priority</b>	Topics in horizontal mergers	Topics in anticompetitive conducts	Topics in anticompetitive conducts, collusion, legal aspects of mergers and conceptual framework (no prioritization possible from responses)
<b>Second priority</b>	Topics in vertical mergers	Topics in vertical mergers	
<b>Third priority</b>	Conceptual framework	Conceptual framework and horizontal mergers	

Competition agencies in the three regions need training on conceptual issues in competition policy. The term conceptual does not mean introductory topics. In this category, the questionnaire includes fundamentals of pricing and market structure, natural monopoly theory and competition, demand elasticity, product differentiation, concentration indices and definition of relevant markets for antitrust purposes. All of these topics require advanced knowledge of economic theory and empirical economics, with emphasis on econometrics<sup>14</sup>.

In ECA training priorities are in vertical and horizontal mergers while competition agencies in LAC consider vertical mergers to be a priority training topic as well but give more importance to anticompetitive conducts (predatory pricing, access to essential facilities, refusal to deal, resale price maintenance, tie in sales). In EAP there is not a clear training priority;

<sup>14</sup> Competition agencies need to use econometrics to estimate price elasticities of demand to define relevant markets.

however, legal aspects of mergers appear as a training capacity need, which is not the case for ECA and LAC. Summarizing, in all regions there is a significant demand for training on substance, on how to solve day-to-day technically challenging cases.

The questionnaire asked respondents to identify methods they prefer to use in training their staff. Not surprisingly, the most preferred methods are practical and hands-on methods, particularly case studies. All other methods ranked quite high in the three regions, implying that competition agencies are open and willing to experiment with a variety of training methods.

When asked which countries/regions would provide relevant case studies, most competition agencies indicated they prefer the European Commission or the United States rather than countries with similar legal regimes or countries that speak the same language<sup>15</sup>. In the case of ECA, the subset of countries in the category Accession Countries showed a clear preference for European Commission's cases, which is an expected response.

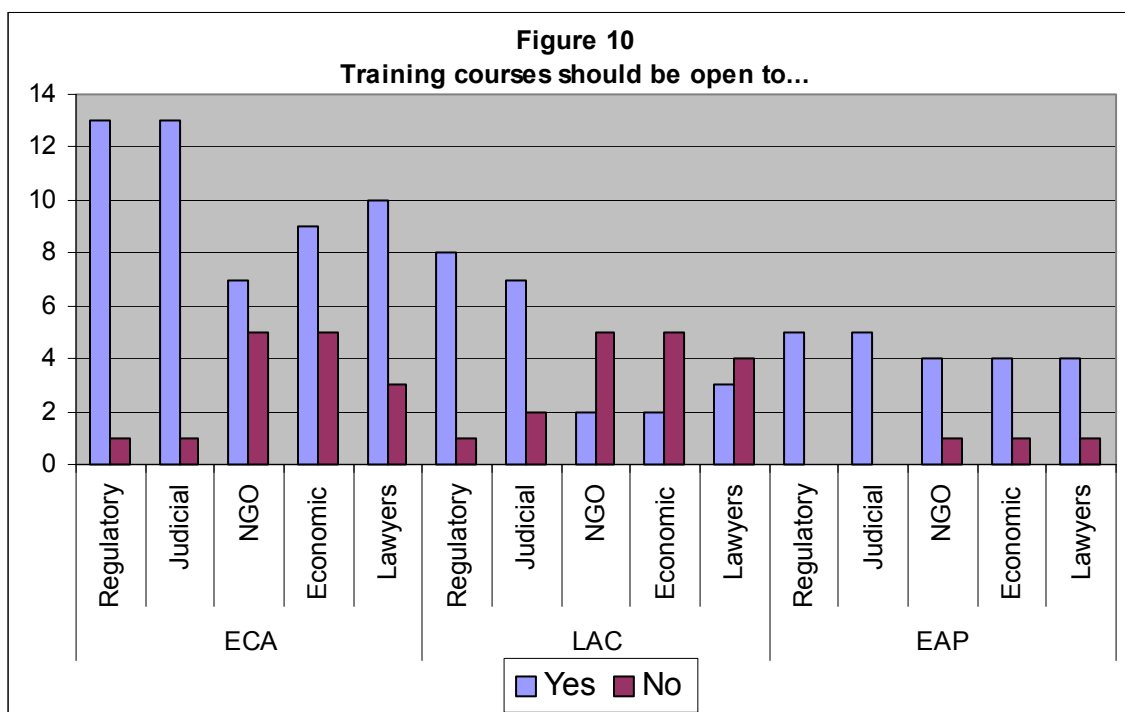
#### *b. Target audience*

Should competition courses be attended exclusively by competition agencies' personnel? Would competition agencies like to expand the traditional audience of competition policy courses to include representatives from regulatory agencies, the judicial branch of government, NGOs that represent consumers' rights, economic consulting firms and law firms?

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<sup>15</sup> Competition agencies in LAC were an exception because they indicated that Spain is usually used as a best practice source.





The responses to this question express a clear message: competition agencies would like to include regulatory agencies and members of the judicial branch of government in competition policy training courses. The need to include them reflects the growing awareness of the complementarities among competition agencies, regulatory agencies and the judicial system to achieve an effective implementation of the competition laws. In emerging and transition countries, as well as in the developed countries, there is a growing concern about competition issues in network industries. Most of these industries, specially those providing infrastructure services, are regulated by a regulatory agency. Competition and regulatory agencies need to cooperate and work together to address common problems and challenges. The best way to foster a valuable cooperation is by sharing information and having a common set of technical knowledge that allows them to understand the work and challenges each other face.

At the same time, the responses were more hesitant when considering the inclusion of private sector lawyers, economic consulting firms and NGOs that protect consumers' rights. It seems competition agencies in ECA and EAP would be willing to accept the participation of private sector lawyers, economists and NGOs while competition agencies in LAC are clearly more reluctant to accept them.

With respect to professionals from within competition agencies, mid-level management and technical staff are the preferred audience rather than the heads of agencies. This reflects the presence of a strong demand for courses with technical content that can create day-to-day case-solving capacity to permanent staff in competition agencies.

There is not a clear preference for the duration of courses. Half of the respondents feel that one week is about right for training courses while the other half prefer two-week or even longer courses. This indicates that competition agencies are willing to train their professional staff, even if training requires that they be absent from their jobs for long periods of time.

Although the significant willingness to invest in human capital put into words by competition agencies is a very positive sign, it will be very difficult to meet these needs since almost all the respondents, when asked how much would the agency be willing to pay per training day, answered “this agency does not have enough budget for training”. A possible criticism to this response is the lack of incentives competition agencies have to reveal their true willingness to pay. The World Bank is an important donor and a needs assessment questionnaire sent by this institution may be perceived as the first step for a free of charge course. It remains as a pending, and very difficult task, the identification of competition agencies’ true willingness to pay for competition policy courses.

## **V. Policy Implications**

From the analysis of the needs assessment questionnaire we can derive some policies that would foster the interaction and cooperation among competition agencies and improve their performance. It seems that some harmonization and convergence of objectives in competition laws should be achieved. This would facilitate the provision of help from competition agencies in developed countries –which have more resources and experience in competition issues- to competition agencies in emerging and transition countries. Besides, it would avoid potential conflicts between competition agencies when a merger calls for a definition of a relevant market greater than the geographical limits of a given country. This task is not easy, as laws evolve in different environments and respond to demands and pressures from many conflicting interest groups. Areas that need harmonization include: convenience of giving privileges to economic

sectors (temporary or permanent exemptions), need to redefine the legal figure of “excessive prices” and time limits to pass judgment on mergers and acquisitions.

The interaction between regulators and competition agencies needs to be improved. Competition and sector specific regulation laws need to clearly define jurisdictions over topics and set the mechanisms to improve the cooperation between regulators and competition agencies.

In order to be able to implement policy changes, the role of multilateral organizations (World Bank, UNCTAD, OECD, and others), networks of competition agencies (for instance, the International Competition Network) and competition agencies from developed countries is very important as they can provide experts, technical assistance and best practice cases.

## **VI. Conclusions**

The responses to the competition policy needs assessment questionnaire provide valuable information about characteristics of competition agencies -personnel endowment, level of activity in mergers and anticompetitive conduct cases, sectors exempted from the competition laws, priority infrastructure services, and others. More importantly, responses provide valuable information to identify capacity needs and give a precise guideline for the design of competition policy courses. Responses confirmed the growing importance of competition policy issues in infrastructure services and the need to foster coordination between sector regulators and competition agencies.

The main findings can be summarized as follows:

1) Design of competition policy courses: (a) *content*: competition agencies do not need introductory courses. That is, there is a significant demand for training on substance, on how to solve day-to-day technically challenging issues; (b) *training methods*: practical and hands-on are the preferred methods. Competition agencies indicated they prefer cases from the European Commission or the United States rather than those from countries with similar legal regimes or countries that speak the same language; (c) *training audience*: competition policy courses should be expanded to include members of the judicial branch of government and regulatory agencies. Within competition agencies, mid-level management and technical staff rather than heads of agencies are the preferred audience; and (d) *budget for training*: although investment in human

capital seems to be a priority and competition agencies recognize it is a necessary condition to improve performance, almost all responses indicated, when asked how much are they willing to pay for training courses, that “this agency does not have enough budget for training”.

2) Priority infrastructure sectors: the telecom and electricity sectors are a priority across all regions. Transport is also a priority in LAC.

3) Workload: competition agencies across countries and regions have different mandates. Some competition laws impose an ex-ante control of all mergers in the economy, while others set rules that lead the competition authority to review only a few mergers per year. This fact plus the lack of a strong relation between the size of the economy and the number of mergers per year allowed us to conclude that the workload of a competition agency is, to a great extent, determined by the competition laws.

4) Personnel: the average endowment of personnel in competition agencies varies significantly across regions. We defined and computed proxy productivity variables “mergers per lawyer (economist)” and “anticompetitive conduct cases per lawyer (economist)”. However, no clear conclusion can be obtained because a labor productivity variable for competition agencies cannot ignore the quality dimension, that is, the inherent varying complexity of mergers and anticompetitive conduct cases.

It must be highlighted that competition advocacy, an area where competition agencies are investing more time and financial resources, was explicitly not included in the questionnaire. Given that The International Competition Network conducted during 2002 a detailed questionnaire on this topic,<sup>16</sup> we considered it was not appropriate to ask competition agencies to respond to two questionnaires on the same topic. Provided competition advocacy implies a broader and more general role for competition agencies -as they intervene in areas like design of regulatory frameworks, trade liberalization, and state aid- it must be included in the design of competition policy courses.

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<sup>16</sup> Available at <http://www.internationalcompetitionnetwork.org>

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Please return this questionnaire by:

The World Bank, 1818 H Street, NW  
MSN J3-304, Washington DC 20433  
Telephone: Fax:

## COMPETITION POLICY

### -- NEEDS ASSESSMENT --

#### I. BACKGROUND INFORMATION

1. Country: \_\_\_\_\_

2. Name of Agency \_\_\_\_\_

3. Does your country have a specific antitrust law or competition provisions are included in sector specific laws? \_\_\_\_\_

4. Is there any market/sector exempted from the antitrust laws?. If yes, which? \_\_\_\_\_

5. What are the key areas of responsibility of your agency? (please explain)

Control of Mergers and Acquisitions \_\_\_\_\_

Investigation and ruling in cases of anticompetitive conducts

6. Please indicate how many mergers your agency had to analyze in the last 12 months?.

7. Please indicate how many cases of anticompetitive conduct were filed and ruled in the last 12 months?

8. What percentage of your answer to 7 are cases of “excessive pricing”?

**9. Employees in your agency**

Professionals:

Lawyers:

Accountants:

Economists:

Administrative Staff:

Temporary Staff:

**10. Does your staff have access to training courses on competition policy?** Yes ☐ No ☐

If yes, in what form?

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**11. What importance does your agency attach to skill development? Explain recent activity in this area**

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## II. IDENTIFICATION OF SPECIFIC TRAINING NEEDS

Based on your agency's role, responsibilities and skill profile, how relevant are the following **topics** for a training program on competition policy?

very relevant      6   5   4   3   2   1   not  
relevant

### A. Principles & Techniques of Competition Policy

#### 12. Global & Regional Trends in Infrastructure Privatization

- a. Global trends in private infrastructure, utility diversification, regulatory reform and market deregulation. ☐ ☐ ☐ ☐ ☐ ☐

#### 13. Conceptual Framework for Competition Policy

- a. Fundamentals of pricing and market structure ☐ ☐ ☐ ☐ ☐ ☐  
b. Concept of efficiency and measurement of Dead Weight Loss ☐ ☐ ☐ ☐ ☐ ☐  
c. Natural monopoly theory and competition ☐ ☐ ☐ ☐ ☐ ☐  
d. Demand elasticity and product differentiation ☐ ☐ ☐ ☐ ☐ ☐  
e. Concentration indices and definition of relevant market ☐ ☐ ☐ ☐ ☐ ☐  
f. Structure Conduct Performance Paradigm and its evolution ☐ ☐ ☐ ☐ ☐ ☐

#### 14. Topics in Horizontal Mergers

- a. Definition of entry barriers (legal and strategic) ☐ ☐ ☐ ☐ ☐ ☐  
b. Concepts of game theory applied to merger analysis ☐ ☐ ☐ ☐ ☐ ☐  
c. Dynamic pricing: conditions that favor collusion in the relevant market (e.g. public information, capacity utilization) ☐ ☐ ☐ ☐ ☐ ☐  
d. Efficiencies: what should be consider efficiency gains in a merger? ☐ ☐ ☐ ☐ ☐ ☐  
e. Failing Firm Doctrine ☐ ☐ ☐ ☐ ☐ ☐  
f. Impose conditions to approve merger (i.e. sale of specific assets) ☐ ☐ ☐ ☐ ☐ ☐  
g. Conglomerates ☐ ☐ ☐ ☐ ☐ ☐

#### 15. Topics in Vertical Mergers

- a. Theory of vertical integration ☐ ☐ ☐ ☐ ☐ ☐  
b. Price discrimination ☐ ☐ ☐ ☐ ☐ ☐  
c. Access pricing ☐ ☐ ☐ ☐ ☐ ☐  
d. Efficiency gains from vertical integration ☐ ☐ ☐ ☐ ☐ ☐

#### Annex to 14 and 15. Legal aspects in Horizontal and Vertical Mergers

- a. Procedural issues (due process) ☐ ☐ ☐ ☐ ☐ ☐  
b. Information disclosure (handling confidential information) ☐ ☐ ☐ ☐ ☐ ☐  
c. Enforcement of divestiture orders ☐ ☐ ☐ ☐ ☐ ☐  
d. Topics related to qualitative and quantitative evidence ☐ ☐ ☐ ☐ ☐ ☐



**16. Topics in anticompetitive conducts**

- |                               |                          |                          |                          |                          |                          |                          |
|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| a. Predatory pricing          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Access: Essential Facility | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Refusal to deal            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Resale Price Maintenance   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e. Tie in Sales               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**B. Competition Institutions**

very relevant 6 5 4 3 2 1 not

relevant

**17. Design and Management of Competition Institutions**

- |   |                          |                          |                          |                          |                          |                          |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| a. Establishment of competition institutions<br>(independence/accountability; commitment/flexibility) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Comparative design and rules of competition agencies in<br>different countries                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Financial management (funding, budgeting, accounting)  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**18 Management of 'External Relations'**

- |   |                          |                          |                          |                          |                          |                          |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| a. Management of relations with consumers associations, investors<br>and industry groups                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Management of relations with the government and other<br>regulatory bodies (e.g., regulatory agencies)         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Negotiation skills for competition agencies decision makers<br>(e.g., conflict resolution, consensus building) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**19. What industries are of particular interest to your agency?**

- |                              |                          |                          |                          |                          |                          |                          |
|------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Telecommunications           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Energy                       |                          |                          |                          |                          |                          |                          |
| Oil                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Electricity                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Natural Gas and LPG          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Cable TV                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Transportation               |                          |                          |                          |                          |                          |                          |
| Air                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Land (bus and rail)          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Sea                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Supermarkets                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Agricultural products/inputs | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Health (pharmaceuticals)     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Financial Sector             | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Please list other relevant markets:

**20 Do you consider the following topics to be relevant?**

Design of interviews for competitors/ suppliers/ clients	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Design of questionnaires for merging firms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Steps to improve efficiency and speed of mergers investigations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How to (methodology) investigate cases of predatory pricing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How to collect evidence when collusion is suspected	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**21. Which of the following countries/regions do you think would provide relevant case studies to your agency?**

United States (DOJ and FTC)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
European Commission	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Countries with similar legal regime	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Countries that speak the same language	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**22. Please rank the top five areas (consider areas 12 to 20 used above) where your staff would benefit most from further training in competition policy. List in 1 the most important and then continue in descending order.**

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_

**D. Other Suggestions**

**23. Please list here any other topics that you would be interested in as part of a training program.**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### III. TRAINING FORMAT

	prefer most	6	5	4	3	2	1	prefer least
<b>24. What teaching methods would you prefer?</b>								
a. Lectures		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
b. Case studies based on concrete examples		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
c. Problem solving in small groups		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
d. Simulation exercises (e.g., witness interviews)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
e. Role plays (e.g., on negotiations)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
f. Presentations by decision makers in competition agencies		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
g. Presentation by the private sector: lawyers and economists specialized in competition policy		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
h. Presentation by participants		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
i. Discussion with other course participants		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**25. Which speakers would you recommend we invite?**

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**26. Would you be willing to present your country's experience in competition policy?** Yes ☐ No ☐

**27. What level of technical difficulty should the training course have in the following broad subject areas?**

	<u>Basic</u>	<u>Advanced</u>	<u>Graduate</u>	<u>Post Graduate</u>
<u>Economics of Antitrust</u>	<hr/>	<hr/>	<hr/>	<hr/>
<u>Financial aspects</u>	<hr/>	<hr/>	<hr/>	<hr/>
<u>Legal issues in Competition Policy</u>	<hr/>	<hr/>	<hr/>	<hr/>

### IV. PARTICIPATION

**28. At what staff level should such a training course be targeted?**

- ☐ Head of Agency or Government Department
- ☐ Mid-level management
- ☐ Technical staff

**29. How many participants do you think would provide the ideal learning environment?**

- ☐ 20 - 30
- ☐ 30 - 40
- ☐ 40 - 45

**30. Do you consider the training course should be open to:**

- |                                      |                              |                             |
|--------------------------------------|------------------------------|-----------------------------|
| regulatory agencies                  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| members of the judicial system       | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| NGO that protect consumers interests | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| economic consulting firms            | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| lawyers                              | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

**31. For how many days do you think the training course should last?**

- 3 days ☐      1 week ☐      2 weeks ☐      longer \_\_\_\_\_

**32. How much would you be willing to pay per person per training day (excluding logistics, in US dollars). This information will be determinant for the course to be offered.**

- ☐ 150
- ☐ 200
- ☐ 250
- ☐ 300
- ☐ This agency does not have enough budget for training

Comments about the cost of training:

**33. What would be the best time for you to attend a training course on competition policy?**

- June 03 ☐      August 03 ☐      September 03 ☐      October 03 ☐

Please provide the name and contact information of the person in charge of answering this questionnaire:

**Thank you very much for your help!!**